

FHWA VALUE ENGINEERING STUDY SUMMARY REPORT

Division/State: California

Fiscal Year: 2004

1. Number of VE studies completed this year.

In-house	Consultant	Total
0	19	19

2. Cost of performing the VE studies completed this year.

In-house	Consultant	Administrative	Total
\$410,000	\$662,733	\$332,500	\$1,405,233

3. Estimated construction costs of projects studied.

In-house	Consultant	Total
0	\$1,996,633,000	\$1,996,633,000

4. Number & Value of *All Proposed* VE Recommendations this year.

	In-House Led	Consultant Led	Total
Initial Cost Savings	0	\$293,332,000	\$293,332,000
Initial Cost Increases	0	\$47,686,000	\$47,686,000
No. Recommendations	0	125	125
Average Scope Performance Improvement	0	15%	15%
Average Value Improvement (Scope Improvement/ Project Costs)	0	28%	28%

5. Number & Value of *Approved & Conditionally Approved* VE recommendations (including carryover projects from other years).

Approved

	In-House Led	Consultant Led	Total
Initial Cost Savings	0	\$179,682,000	\$179,682,000
Initial Cost Increases	0	\$27,920,000	\$27,920,000
No. Recommendations	0	40	40
Average Scope Performance Improvement	0	12%	12%
Average Value Improvement (Scope Improvement/ Project Costs)	0	12%	12%
Acceptance Rate (No. Alt. Accepted/ Proposed) w/ CA	0	32%	32%

Conditionally Approved

Figures that may be added to **Accepted Alternatives (awaiting final approval)**

	In-House Led	Consultant Led	Total
Initial Cost Savings	0	0	0
Initial Cost Increases	0	0	0
No. Recommendations	0	0	0
Average Scope Performance Improvement (addition to Accepted)	0	0	0
Average Value Improvement (Scope Improvement/ Project Costs)	0	0	0
Acceptance Rate (Additive to Accepted Rate)	0	0	0

FHWA VALUE ENGINEERING STUDY SUMMARY REPORT

6. Life-cycle cost (cost avoidance) savings from VE studies.

Proposed Recommendations

	In-House Led	Consultant Led	Total
Initial Costs(Savings-Increases) *	0	\$245,646,000	\$245,646,000
Subsequent Costs(Savings – Increases)	0	\$242,012	\$242,012
Highway User (Savings – Increases)	0	\$44,380,000	\$44,380,000
Total (Net Present Value) LCC Savings (Savings- Increases)	0	\$289,783,988	\$289,783,988

* See Item 4 (Sum of Positive and Negative Initial Cost Savings)

Accepted Recommendations

	In-House Led	Consultant Led	Total
Initial Costs(Savings-Increases) *	0	\$151,762,000	\$151,762,000
Subsequent Costs(Savings – Increases)	0	\$2,378,000	\$2,378,000
Highway User (Savings – Increases)	0	\$4,440,000	\$4,440,000
Total (NPV) LCC Savings (Savings- Increases)	0	\$153,824,000	\$153,824,000

* See Item 5 (Sum of Positive and Negative Initial Cost Savings)

Conditionally Accepted Recommendations

	In-House Led	Consultant Led	Total
Initial Costs(Savings-Increases) *)	0	0	0
Subsequent Costs(Savings – Increases)	0	0	0
Highway User (Savings – Increases)	0	0	0
Total (NPV) LCC Savings (Savings- Increases)	0	0	0

* See Item 5 (Sum of Positive and Negative Initial Cost Savings)

7. Total VE-related training costs (include an estimate of salaries of persons attending, travel cost and local incidental costs 0

8. Number of employees trained in VE during fiscal year.

a. FHWA 0

b. State and Others 0

9. Number of construction VECP's submitted 11

10. Number of construction VECP's approved 10

11. Savings from approved construction VECPs.

In-house Value	\$1,098,595.00
Contractor Value	\$ 0
Total	\$1,098,595.00

FHWA VALUE ENGINEERING STUDY SUMMARY REPORT

Carryover Projects (To be reported in FY 2005 or subsequent years)

12. Number of VE studies started before the end of FY 2004 and are in the process of being completed.

In-house	Consultant	Total
0	43	43

13. Cost of performing the VE studies being carried over to subsequent years.

In-house	Consultant	Administrative	Total
\$472,260	\$741,060	\$501,564	\$1,714,884

14. Estimated construction costs of projects studied.

In-house	Consultant	Total
0	\$7,933,984,371	\$7,933,984,371

15. Number & Value of *All Proposed* VE Recommendations this year.

	In-House Led	Consultant Led	Total
Initial Cost Savings	0	\$368,414,780	\$368,414,780
Initial Cost Increases	0	\$76,882,245	\$76,882,245
No. Recommendations	0	178	178
Average Scope Performance Improvement	0	13%	13%
Average Value Improvement (Scope Improvement/ Project Costs)	0	18%	18%

16. Number & Value of *Approved & Conditionally Approved* VE recommendations
(including carryover projects from other years).

Approved

	In-House Led	Consultant Led	Total
Initial Cost Savings	0	\$29,198,980	\$29,198,980
Initial Cost Increases	0	\$4,169,345	\$4,169,345
No. Recommendations	0	32	32
Average Scope Performance Improvement	0	7%	7%
Average Value Improvement (Scope Improvement/ Project Costs)	0	8%	8%
Acceptance Rate (No. Alt. Accepted/ Proposed) w/ CA	0	57%	57%

Conditionally Approved

Figures that may be added to Accepted Alternatives (awaiting final approval)

	In-House Led	Consultant Led	Total
Initial Cost Savings	0	\$25,968,400	\$25,968,400
Initial Cost Increases	0	\$63,031,900	\$63,031,900
No. Recommendations	0	70	70
Average Scope Performance Improvement (addition to Accepted)	0	12%	12%
Average Value Improvement (Scope Improvement/ Project Costs)	0	16%	16%
Acceptance Rate	0	57%	57%

FHWA VALUE ENGINEERING STUDY SUMMARY REPORT

17. Life-cycle cost (cost avoidance) savings from VE studies.

Proposed Recommendations

	In-House Led	Consultant Led	Total
Initial Costs(Savings-Increases) *	0	\$291,532,535	\$291,532,535
Subsequent Costs(Savings – Increases)	0	\$17,967,000	\$17,967,000
Highway User (Savings – Increases)	0	\$35,395,000	\$35,395,000
Total (Net Present Value) LCC Savings (Savings- Increases)	0	\$344,894,535	\$344,894,535

* See Item 4 (Sum of Positive and Negative Initial Cost Savings)

Accepted Recommendations

	In-House Led	Consultant Led	Total
Initial Costs(Savings-Increases) *	0	\$25,029,635	\$25,029,635
Subsequent Costs(Savings – Increases)	0	\$4,000	\$4,000
Highway User (Savings – Increases)	0	\$3,833,000	\$3,833,000
Total (NPV) LCC Savings (Savings- Increases)	0	\$28,858,635	\$28,858,635

* See Item 5 (Sum of Positive and Negative Initial Cost Savings)

Conditionally Accepted Recommendations

	In-House Led	Consultant Led	Total
Initial Costs(Savings-Increases) *	0	\$162,936,500	\$162,936,500
Subsequent Costs(Savings – Increases)	0	\$17,937,000	\$17,937,000
Highway User (Savings – Increases)	0	\$938,000	\$938,000
Total (NPV) LCC Savings (Savings- Increases)	0	\$181,811,500	\$181,811,500

* See Item 5 (Sum of Positive and Negative Initial Cost Savings)